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ORIGINAL

(File this application via e-docket, or if unable to do so, file one original verified application with the Chief Clerk.)

CHIEF CLERK'S OFFICE

Docket No.

ICC Office Use Only

Please provide the appropriate information in the ( ) areas in the heading below.

LMDS Holdings, Inc.

Application for a certificate of  
local and interexchange authority  
to operate as a reseller and facilities  
based carrier of telecommunications  
services on a statewide basis in the  
State of Illinois.

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05-0817

**APPLICATION FOR CERTIFICATE TO BECOME A  
TELECOMMUNICATIONS CARRIER**  
(Use additional sheets as necessary.)

**GENERAL**

1. Applicant's Name(including d/b/a, if any)

FEIN # 91-2008276

LMDS Holdings, Inc.

Address: Street 11111 Sunset Hills Road

City Reston State/Zip VA 20190

2. Authority Requested: (Mark all that apply) ☒ 13-403 Facilities Based Interexchange

☒ 13-404 Resale of Local and/or Interexchange

☒ 13-405 Facilities Based Local

3. Request for waivers/variances: In applications for local exchange service authority under Sections 13-404 or 13-405, waivers of Part 710 and of Section 735.180 of Part 735 are generally requested. In applications for interexchange service authority under Sections 13-403 and 13-404, waivers of Part 710 and Part 735 are generally requested. Please indicate which waivers Applicant is requesting and explain why Applicant is requesting each waiver/variance.

☒ Part 710 Uniform System of Accounts for Telecommunications Carriers

☒ Part 735 Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Local Exchange Telecommunications Carriers in the State of Illinois

☒ Section 735.180 Directories

Other

4. For all applicants requesting local exchange authority under Section 13-404 or Section 13-405, please complete the following:
- (a) the Standard Questions for Applicants Seeking Local Exchange Service Authority found in Appendix A of this document
  - (b) the 9-1-1 Questions for Applicants Seeking Local Exchange Service Authority found in Appendix B of this document;
  - (c) the Financial Questions for Applicants Seeking Local Exchange Service Authority found in Appendix C of this document; and
  - (d) if applicable, the Prepaid Service Questions for Applicants Seeking Local Exchange Service Authority found in Appendix D of this document.

5. In what area of the state does the Applicant propose to provide service?

**statewide**

6. Please attach a sheet designating contact persons to work with Staff on the following:

- a) issues related to processing this application
- b) consumer issues
- c) customer complaint resolution
- d) technical and service quality issues
- e) "tariff" and pricing issues
- f) 9-1-1 issues
- g) security/law enforcement

Please identify each contact person's (i) name, (ii) title, (iii) mailing address, (iv) telephone number, (v) facsimile number, and (vi) e-mail address. ***Please see Exhibit A.***

7. Please check type of organization?

☐ Individual  
☐ Partnership  
☒ Corporation  
 Date corporation was formed November 4, 2005  
 In what state? Delaware  
 Other (Specify) \_\_\_\_\_

8. Submit a copy of articles of incorporation and a copy of certificate of authority to transact business in Illinois.  
**Please See Exhibit B.**

9. List jurisdictions in which Applicant is offering service(s).

Applicant is not currently providing service, however is in the process of filing applications to provide service in the following jurisdictions: Alabama, Arizona, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Texas, Washington and Wisconsin.

10. Has the Applicant, or any principal in Applicant, been denied a Certificate of Service or had its certification revoked or suspended in any jurisdiction in this or another name?

YES (Please provide details) ☒ NO ☐

11. Have there been any complaints or judgments levied against the Applicant in any other jurisdiction?

\_\_\_\_ YES ☒ NO

If YES, describe fully. \_\_\_\_\_

12. Has Applicant provided service under any other name?

\_\_\_\_ YES ☒ NO

If YES, please list. \_\_\_\_\_

13. Will the Applicant keep its books and records in Illinois? \_\_\_\_ YES \_\_\_\_ NO

If NO, permission pursuant to 83 Ill. Adm Code Part 250 needs to be requested.

#### **MANAGERIAL**

14. Please attach evidence of the applicant's managerial and technical resources and ability to provide service. This may be in either narrative form, resumes of key personnel, or a combination of these forms. **Please see Exhibit C.**

15. List officers of Applicant.

Carl J. Grivner, Chief Executive Officer

Wayne Rehberger, Chief Operating Officer

Bill Garrahan, Acting Chief Financial Officer and Senior Vice President, Corporate Development

Heather Burnett Gold, Senior Vice President, Government Relations

Doug Sobieski, Vice President, Fixed Broadband Wireless Services

Terri Burke, Vice President, Human Resources

Rob Geller, Chief Information Officer

16. Does any officer of Applicant have an ownership or other interest in any other entity which has provided or is currently providing telecommunications services? ☒ YES \_\_\_\_ NO

If YES, list entity. **Applicant's officers may have ownership interests in Holdings' parent-company, XO Communications, Inc., and therefore hold an interest in XO Communications Services, Inc., a certified carrier. In addition, they may hold a de minimus interest in other carriers.**

17. How will Applicant bill for its service(s)? (At a minimum, describe how often the Applicant will bill for service and details of the billing statement.)

**Applicant will bill all of its end-user customers directly on a monthly basis. Holdings does not intend to utilize a billing agent in issuing bills for services rendered to end users. Applicant will not use a "billing clearinghouse" or other outside entity to issue bills to its customers. All bills sent to end-user customers will bear the Company's name and provide a toll-free number for customer inquiries and complaints.**

18. How does Applicant propose to handle service, billing, and repair complaints? (At a minimum, describe Applicant's internal process for complaint resolution, the complaint escalation process, the timeframe and process by which the customer is notified by Applicant that they may seek assistance from the Commission?)

Holdings has a toll free number available for its customers to contact the Company with billing and service related issues: 1-877-714-6398. Customers may contact the Company with billing related issues between the hours of twenty four (24) hours a day, seven (7) days a week by using this toll free number. In addition, customers may request assistance for any billing questions or general customer inquiries on-line via [https://www.businesscenter.xo.com/ecustomer\\_enq](https://www.businesscenter.xo.com/ecustomer_enq). or for repair issues or other requests, including billing support, Customers may send an e-mail to [cr-snaops@xo.com](mailto:cr-snaops@xo.com).

19. Will personnel be available at Applicant's business office during regular working hours to respond to inquiries about service or billing?   X   YES        NO

20. What telephone number(s) would a customer use to contact your company?

1-877-714-6398

21. Will Applicant abide by all Federal and State slamming and cramming laws pursuant to Section 13-902 of the Public Utilities Act and Section 258 of the 1996 Telecommunications Act?

  X   YES        NO

22. Please describe applicant's procedures to prevent slamming and cramming of customers?

1. Applicant exercises a "Zero Tolerance" policy for its direct sales force. Any account executive found to have slammed a customer is automatically terminated.

2. Applicant's regulatory staff holds training sessions with the customer service representatives to review slamming allegations and to how best assist affected customers.

Applicant takes the issue of slamming seriously and remains vigilant against these infractions. The Company has invested considerable time, effort and resources to find rapid and effective solutions to maintain the level of excellent service consumers expect and deserve.

23. If granted authority to operate as a local exchange carrier, will the applicant abide by the following 83 Illinois Administrative Code Parts: 705, 710, 720, 725, 730, 732, 735, 755, 756, 757, 770, and 772?

       YES   X   NO (If no, please provide an explanation.) Holdings is seeking a waiver of Part 710 and Section 735.180 of Part 735. Holdings requests to be allowed to maintain its books under Generally Accepted Accounting Principles (GAAP) as opposed to the Uniform System of Accounts for Telecommunications Carriers ("USOA"). Holdings is a relatively new company that has never operated in a rate of return environment and is not subject to jurisdictional separations and other accounting methods traditionally applicable to the incumbent LECs. Without a waiver, Holdings would be required to maintain two sets of books, an extremely onerous requirement, especially since GAAP accurately reflects Origin's operations.

Additionally, Applicant will contract with the ILEC to ensure that its customers have access to and are published in a directory, however, Applicant does not intend, at this time, to publish its own.

24. Is Applicant aware that it must file tariffs prior to providing service in Illinois?

  X   YES        NO

## **FINANCIAL**

25. Please attach evidence of Applicant's financial fitness through the submission of its most current income statement and balance sheet, or other appropriate documentation of applicant's financial resources and ability to provide service.

Applicant is a recently-formed entity, and as such does not have a significant financial history of its own, and has attached projected financial statements as *Exhibit D*, under seal. Applicant will receive an additional infusion of capital once the transaction outlined below is completed.

Company has historically operated as a wholly owned subsidiary of XO Communications, Inc., a publicly traded company that has funded Applicant's operations. XO Communications, Inc.'s Securities and Exchange Commission Form 10K for the calendar years 2004 and 2005 are included as *Exhibit E*.

XO Communications, Inc. is in the process of a *pro forma* restructuring merger. As a result of this restructuring, XO Communications, Inc. will be merged into XO Communications, LLC and removed from the ownership structure of Holdings. This will leave XO Holdings, Inc. in the place of XO Communications, Inc. as parent-company to Holdings. Holdings will share the same ultimate owner with XO Communications, LLC, Carl C. Icahn. A notice of this transaction will be filed with the Commission under separate cover. A press release describing this transaction can be found at <http://www.xo.com/news/278.html>, a copy of which is attached as *Exhibit F*.

## **TECHNICAL**

26. Does Applicant utilize its own equipment and/or facilities? ☒ YES ☐ NO

If YES, please list the facilities Applicant intends to utilize. Also include evidence that Applicant possesses the necessary technical resources to deploy and maintain said facilities:

Holdings will provide its data-only broadband managed network solutions primarily through a combination of traditional wireline elements and its FCC-licensed, Local Multipoint Distribution Service ("LMDS") spectrum. The Company will provide high-capacity access alternatives to the exclusive use of existing copper and fiber optic

based telecommunications services. These services will include point to point data connectivity at speeds ranging from T1 through OC-3 levels. The company's primary services will include Ethernet service using 10Mbps and 100Mbps interfaces and dedicated high speed Internet access. The equipment Holdings has selected for deployment includes ports for both traditional time division multiplexed ("TDM") circuits as well as Internet protocol ports for Ethernet services.

If NO, which facility provider(s)'s services does the Applicant intend to use?

Not Applicable

27. Please describe the nature of service to be provided (e.g., operator services, internet, debit cards, long distance service, data services, local service, prepaid local service).

Holdings seeks authority to provide telecommunications transport services, as a facilities-based and resale competitive local exchange and interexchange carrier, to business customers and other carriers in the State of Illinois. The Applicant plans to initially offer dedicated point-to-point transport and data services to enterprise customers and other common carriers. At a later date, Holdings may expand its service offerings, to include a broader range of products and services. Accordingly, Holdings is requesting the Commission certify Holdings to provide a full range of local exchange and interexchange services.


Initially, Company intends to focus on deploying technology to provide a core set of communications transport services tailored to meet specific needs of carriers, particularly commercial mobile radio service (CMRS) providers and enterprise business customers with high capacity point-to-point digital data communication needs. Further, as business and economic circumstances dictate, Company intends to provide additional local exchange, exchange access and dedicated transport services.

28. Will technical personnel be available at all times to assist customers with service problems?

X YES        NO

29. If Applicant intends to provide payphone service, will the equipment utilized comply with FCC requirements and Finding (9) of the Commission Order entered in Docket No. 84-0442 on June 11, 1986, including, but not limited to: (a) touch dialing; (b) access to 9-1-1 and "0" operator dialing without use of a coin; (c) rules governing use of payphones by disabled persons; (d) ability to complete local and long-distance calls; (e) unlimited duration for local calls; and (f) a message explaining the telephone's general operations, dialing instructions for emergency assistance, payphone owner's name, method of reporting service problems and method of receiving credit for faulty calls?        YES X NO

Applicant does not intend to offer payphone services.

  
(Signature of Applicant)

## VERIFICATION

This application shall be verified under oath.

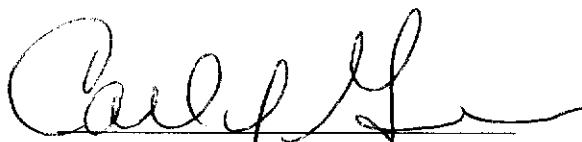
## OATH

State of Virginia )  
County of Fairfax )ss

**Carl J. Grivner** makes oath and says that he is **Chief Executive Officer**  
(Insert here the name of affiant) (Insert the official title of the affiant)

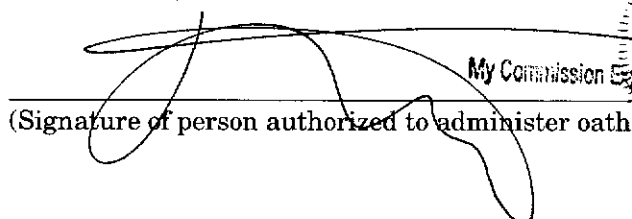
of **LMDS Holdings, Inc.**  
(Insert here the exact legal title or name of the Applicant)

that he has examined the foregoing application and that to the best of his knowledge, information, and belief, all statements of fact contained in the said application are true, and the said application is a correct statement of the business and affairs of the above-named applicant in respect to each and every matter set forth therein.

  
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public/ Jennifer MARTIN  
(Title of person authorized to administer oaths)

in the State and County above named, this 5 day of December, 2005

  
(Signature of person authorized to administer oath)

My Commission Expires December 31, 2008

